



DEPUTY UNDER SECRETARY OF DEFENSE FOR  
LOGISTICS AND MATERIEL READINESS  
3500 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3500

AUG 8 2003

MEMORANDUM FOR ACQUISITION EXECUTIVE, U.S. ARMY

SUBJECT: Joint Computer-Aided Acquisition Logistics Support (JCALS) Program  
Direction

The JCALS Acquisition Decision Memorandum (ADM) dated 4 October 2002, stated that the Army was to conduct a cost estimate to determine program sustainment costs and confirm that the program is affordable through the Future Years Defense Plan (FYDP). DUSD(L&MR) was to direct studies regarding future requirements, including infrastructure sustainment requirements and alternatives. Further, the ADM directed the Army not to obligate any additional funds for JCALS other than the minimum needed for sustainment as approved by the DUSD(L&MR) until the OSD PA&E reviews, and the DUSD(L&MR) approves, the cost estimate discussed in the ADM.

We contracted with Gartner Consulting for completion of the study mentioned above that DUSD(L&MR) was to direct. The Army presented their cost findings to DUSD(L&MR)/ LSM on 21 May 2003, although many weeks late and after the Gartner study was completed.

After review of the Gartner study and the Army cost estimate, I find that the Army estimate is inconsistent with an affordable program and strongly recommend that the Army reconsider the findings and recommendations contained in the Gartner report [JCALS Sustainment Level Assessment - Final Report Engagement: 220364272 dated 21 May 2003] and proceed to sustain JCALS according to the following direction:

- Constrain program funding to the level specified in PBD-704 (for FY 04 and FY 05)
- Array funding to support the Air Force, Army, and Navy in accordance with the recommendations contained in the Gartner report
- Cease all development efforts
- Lock down the code for deployed versions up to and including Software Package (SWP) 3.1.2
- Cease all technology spending
- Conduct no maintenance drops (hardware or software)
- Without prior approval of DUSD(L&MR)/LSM
  - conduct no hardware or software upgrades
  - take no action on any Change Request (CR)



Management of a joint program in this manner does not preclude the Services from funding necessary critical functionality themselves. Any such functionality not supportable within the current funding constraints should be pursued by the Services, after consultation with DUSD(L&MR).

Please report the Army's progress on this, including indication of concurrence in this strategy at all levels of the Army from you down through the PM, no later than 30 days from the date of this memo.

A handwritten signature in black ink, appearing to read "Diane K. Morales". The signature is fluid and cursive, with a large initial "D" and "M".

Diane K. Morales